

February 9, 2009

Honorable Robert D. Drain
United States Bankruptcy Court for the Southern District of New York
One Bowling Green
Room 610
New York, NY 10004

Dear Judge Drain:

I received notification today that with your approval Delphi intends to cease payment of the retirement healthcare and life insurance benefits for their salaried retirees. To say this news is devastating is an understatement. The Delphi hourly retirees will continue to receive their benefits from General Motors.

I retired from Delphi after working 32 years for General Motors and then Delphi as a staff accountant. During those years, every time there was cost-cutting measures, the salaried staff would be affected, rarely the hour employees because they had the union to protect them. We lost COLA, over time, 100% paid health insurance, co-pays were added to our insurance, monthly premium would increase, etc. All of these benefits were eliminated to save the company money. And, as an accountant I could agree with them, but this is going too far.

Last year I was diagnosed with esophageal cancer. This was a direct result of working in an unhealthy work environment under extreme stress and pressure. Ten and twelve hour days because the budget had to be revised, forecasts changed, unrealistic report deadlines, reductions in staff, union grievances, etc.

I have had radiation therapy, two different types of chemotherapy twice, and removal of part of my esophagus. I am currently in remission, but must have a PET scan or CAT scan every three months. With this pre-existing condition, do you know any insurance company that will offer me healthcare insurance? I don't. I am 63 years old and not eligible for Medicare. If I am forced to self pay for this healthcare insurance, it will take almost all of my pension check. This is just not feasible.

When I retired, a number of us took an early retirement to save the jobs for the young employees. At our general meeting on retirement we were told in no uncertain terms that we would not have to worry about our retirement pay and benefits. We were promised they would stay. Even after we received notification that we would not be receiving supplemental healthcare insurance through Delphi after going on Medicare there was going to be a healthcare medical account set up to help defray the cost. I didn't worry because I felt Delphi was living up to its word.

And, today I receive this notification. Even the life insurance is terminated. I am 63 years old and a cancer patient who like everyone else has seen my 401k decimated. Who will insure me? Who will hire me?

I guess Delphi's promises were just lies and once again the salaried employees are sacrificed! Hopefully, you will see the inequities in their proposal and have them treat us as fairly as you have had them treat the hourly employees. We only want equity and fairness.

Please note the attached letter we received from Delphi. From the wording of this letter, Delphi makes it sound like the elimination of our benefits is a done deal and your approval is not necessary.

Thank you for any consideration you can give to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Phillip McCarty".

Phillip McCarty
3701 Northfield Road
Dayton, OH 45415

Attachment

Copies: General Counsel, Skadden, Latham, Fried, US Trustee

DELPHI

February 5, 2009

To Delphi Health and Life Program Participants:

The challenges created by a weakened global economy continue to have a dramatic impact on the automotive industry and on Delphi, with customer volumes at levels not likely to recover in the short term. We have and will continue to support our customers and manage our supply chain through this turbulent time. All of us are working on cost-reduction initiatives that have helped make a difference. However, it is essential that we take significant and immediate actions to further address the current challenges.

After consideration of factors including declining revenue and challenging market forecasts, effective April 1, 2009, Delphi will no longer provide health care and life insurance in retirement to salaried employees and retirees. In these extraordinary economic times, it is necessary for Delphi to discontinue these benefits in order to work towards further modifications to its plan of reorganization that will enable the company to emerge from Chapter 11 reorganization as soon as practicable. Delphi acknowledges these actions will impose a real hardship on former beneficiaries of these programs. However, the company's recognition of this hardship, which allowed Delphi to continue these benefits in a more robust economic environment, regretfully does not support continuing these programs in the current economic environment.

Current retirees participating in the Delphi Health Care Program for Salaried Employees and the Delphi Life & Disability Benefits Program for Salaried Employees will be affected as noted below. Specifically, effective April 1, 2009:

Health Care Coverages

- Delphi will no longer provide Corporation contributions towards health care coverages ;
- You may continue health care coverages on a self-pay basis by paying the full cost of any coverages continued (attached is a chart showing the estimated cost of the various coverages);
- Retiree Health Reimbursement Accounts will be discontinued; and
- Delphi will no longer provide the Medicare Special Benefit.

Life Insurance Coverages

- Retiree Basic Life Insurance coverage currently in effect will be terminated and you will be given the opportunity to convert this coverage to a personal policy without proof of your good health.

- Any Optional Life, Dependent Life and/or Personal Accident Insurance currently in effect will not be cancelled as long as you continue to make the required premium payments which remain the same.
- Retirees affected by the termination of Basic Life Insurance will have a one-time opportunity to increase Optional Life Insurance coverage by one level or elect coverage at the first level. Proof of your good health will be required.

By the end of February, you will be mailed an election kit that will allow you to elect continuation of Health Care coverages. An election must be made no later than March 27, 2009 in order to avoid any break in coverage. The ability to continue Health Care coverages on a self-pay basis is contingent upon you making a timely election (i.e., by March 27, 2009). Elections postmarked after March 27, 2009 will not be accepted. Additionally, if you discontinue coverage for any reason (e.g., non-payment, late payment) Health Care coverages will not be reinstated.

Also, by the end of February, a separate election kit will be mailed with the necessary forms and instructions regarding the special Optional Life Insurance enrollment opportunity. You will have 31 days from the date of that election kit to make an enrollment decision. Elections post marked after this 31-day period will not be processed.

The attached Question & Answer document provides additional information concerning these changes. Specific questions about health care and life insurance should be addressed to the National Benefit Center by calling 1-866-335-7444 or at www.delphinbc.com.

On February 4, 2009, Delphi filed a motion with the US Bankruptcy court concerning these changes. The impacted benefits are generally referred to as Other Post Employment Benefits (OPEB). You will receive a copy of the motion in the mail at your home address. A copy of the motion can also be found on www.delphidocket.com. Any responses to the motion will need to be filed with the Bankruptcy Court no later than February 17, 2009.

The state of the global economy, market changes in response to these challenges and our business plan to exit bankruptcy in the U.S. create a very dynamic situation with respect to salaried employee plans and policies. We regret that these changes are necessary, please understand that recommended changes are only implemented after careful consideration of market conditions, affordability and the impact on employees with the intent of maintaining a viable global business now and in the future.

Delphi Corporation